

95TH CONGRESS
2D SESSION

H. R. 12605

IN THE HOUSE OF REPRESENTATIVES

MAY 8, 1978

Mr. VAN DEERLIN (for himself, Mr. FREY, Mr. CARNEY, Mr. WIRTH, Mr. RUSSO, Mr. MARKEY, Mr. GORE, Ms. MIKULSKI, Mr. WAXMAN, Mr. MOORE, Mr. MOORHEAD of California, and Mr. MARKS) introduced the following bill; which was referred to the Committee on Interstate and Foreign Commerce

A BILL

To amend the Communications Act of 1934 to extend and improve the provisions of such Act relating to long-term financing for the Corporation for Public Broadcasting and relating to certain grant programs for public telecommunications, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That this Act may be cited as the "Public Telecommuni-
- 4 cations Financing Act of 1978".

1 TITLE I—CONSTRUCTION AND PLANNING OF
2 FACILITIES

3 DECLARATION OF PURPOSE

4 SEC. 101. (a) The heading for part IV of title III of
5 the Communications Act of 1934 is amended to read as
6 follows:

7 “PART IV—ASSISTANCE FOR PUBLIC TELECOMMUNICA-
8 TIONS FACILITIES; TELECOMMUNICATIONS DEMON-
9 STRATIONS; CORPORATION FOR PUBLIC BROAD-
10 CASTING”.

11 (b) The heading for subpart A of part IV of title III
12 of the Communications Act of 1934 is amended to read as
13 follows:

14 “Subpart A—Assistance for Public Telecommunications
15 Facilities”.

16 (c) Section 390 of the Communications Act of 1934
17 is amended to read as follows:

18 “DECLARATION OF PURPOSE

19 “SEC. 390. The purpose of this subpart is to assist
20 (through matching grants) in the planning and construction
21 of public telecommunications facilities in order to achieve the
22 following objectives: (1) extend delivery of public tele-
23 communications services to as many citizens of the United
24 States as possible by the most efficient and economical means,
25 including the use of broadcast and nonbroadcast technolo-

1 gies; (2) increase public telecommunications services and
2 facilities available to and owned by minorities and women;
3 and (3) strengthen the capability of existing public tele-
4 vision and radio stations to provide educational and cultural
5 services to the public.”.

6 AUTHORIZATION OF APPROPRIATIONS

7 SEC. 102. Section 391 of the Communications Act of
8 1934 is amended to read as follows:

9 “AUTHORIZATION OF APPROPRIATIONS

10 “SEC. 391. There are authorized to be appropriated
11 \$40,000,000 for each of the fiscal years 1979, 1980, and
12 1981, to be used by the Secretary of Commerce to assist in
13 the planning and construction of public telecommunications
14 facilities as provided in this subpart. Sums appropriated
15 under this subpart for any fiscal year shall remain available
16 until expended for payment of grants for projects for which
17 applications approved by the Secretary of Commerce pur-
18 suant to this part have been submitted within such fiscal
19 year. Sums appropriated under this subpart may be used by
20 the Secretary to cover the cost of administering the provisions
21 of this subpart.”.

22 CONSTRUCTION AND PLANNING

23 SEC. 103. (a) Section 392 of the Communications Act
24 of 1934 is amended to read as follows:

1 “GRANTS FOR CONSTRUCTION AND PLANNING

2 “SEC. 392. (a) For each project for the construction
3 of public telecommunications facilities there shall be sub-
4 mitted to the Secretary of Commerce an application for a
5 grant containing such information with respect to such
6 project as the Secretary may require, including the total
7 cost of such project, the amount of the grant requested for
8 such project, and a five-year plan outlining the applicant's
9 projected facilities requirements and the projected costs of
10 such facilities requirements. Each applicant shall also pro-
11 vide assurances satisfactory to the Secretary that—

12 “(1) the applicant is (A) an entity which is
13 eligible to be licensed or is licensed by the Federal
14 Communications Commission as a noncommercial edu-
15 cational broadcast station; (B) a system of public broad-
16 cast stations; (C) a nonprofit foundation, corporation,
17 institution, or association organized primarily for educa-
18 tional or cultural purposes; or (D) a State or local
19 government (or any agency thereof), or a political or
20 special purpose subdivision of a State;

21 “(2) the operation of such public telecommuni-
22 cations facilities will be under the control of the appli-
23 cant;

24 “(3) necessary funds to construct, operate, and

1 maintain such public telecommunications facilities will
2 be available when needed;

3 “(4) such public telecommunications facilities will
4 be used only for noncommercial educational or cultural
5 purposes;

6 “(5) the applicant has participated in comprehen-
7 sive planning for such public telecommunications facil-
8 ities in the area which the applicant proposes to serve,
9 and such planning has included an evaluation of alter-
10 nate technologies; and

11 “(6) the applicant will make the most efficient use
12 of the grant.

13 “(b) Upon approving any application under this sec-
14 tion with respect to any project for the construction of
15 public telecommunications facilities, the Secretary of Com-
16 merce shall make a grant to the applicant in the amount
17 determined by the Secretary, except that such amount shall
18 not exceed 75 per centum of the amount determined by the
19 Secretary to be the reasonable and necessary cost of such
20 project.

21 “(c) The Secretary of Commerce may provide such
22 funds as the Secretary deems necessary for the planning of
23 any project for which construction funds may be obtained
24 under this section. An applicant for a planning grant shall

1 provide such information with respect to such project as the
2 Secretary may require and shall provide assurances satisfac-
3 tory to the Secretary that the applicant meets the eligibility
4 requirements of subsection (a) to receive construction assist-
5 ance.

6 “(d) Any studies conducted by or for any grant re-
7 cipient under this section shall be provided to the Secretary
8 of Commerce, if such studies are conducted through the use
9 of funds received under this section.

10 “(e) The Secretary of Commerce shall establish such
11 rules and regulations as may be necessary to carry out this
12 subpart, including rules and regulations relating to the order
13 of priority in approving applications for construction projects
14 and relating to determining the amount of each grant for
15 such projects.

16 “(f) In establishing criteria for grants pursuant to sec-
17 tion 393 and in establishing procedures relating to the order
18 of priority established in subsection (e) in approving appli-
19 cations for grants, the Secretary of Commerce shall give
20 special consideration to applications which increase minority
21 and women’s ownership of, and participation in, public tele-
22 communications entities. The Secretary shall take affirmative
23 steps to inform minorities and women of the availability of
24 funds under this subpart, and the localities where new public

1 telecommunications facilities are needed, and to provide such
2 assistance and information as may be appropriate.

3 “(g) If, within ten years after completion of any proj-
4 ect for construction of public telecommunications facilities
5 with respect to which a grant has been made under this
6 section—

7 “(1) the applicant or other owner of such facil-
8 ities ceases to be an agency, institution, foundation,
9 corporation, or association described in subsection
10 (a) (1) ; or

11 “(2) such facilities cease to be used only for non-
12 commercial public telecommunications purposes (unless
13 the Secretary determines, in accordance with regulations,
14 that there is good cause for releasing the applicant or
15 other owner from the obligation to do so),

16 the United States shall be entitled to recover from the
17 applicant or other owner of such facilities the amount bear-
18 ing the same ratio to the value of such facilities at the time
19 of such determination (as determined by agreement of the
20 parties or by action brought in the United States district
21 court for the district in which such facilities are situated),
22 as the amount of the Federal participation bore to the cost
23 of construction of such facilities.

24 “(h) Each recipient of assistance under this subpart

1 shall keep such records as may be reasonably necessary to
2 enable the Secretary of Commerce to carry out the func-
3 tions of the Secretary under this subpart, including records
4 which fully disclose the amount and the disposition by such
5 recipient of the proceeds of such assistance, the total cost
6 of the project in connection with which such assistance is
7 given or used, and the amount and nature of that portion
8 of the cost of the project supplied by other sources, and such
9 other records as will facilitate an effective audit.

10 “(i) The Secretary of Commerce and the Comptroller
11 General of the United States, or any of their duly authorized
12 representatives, shall have access for the purpose of audit
13 and examination to any books, documents, papers, and rec-
14 ords of any recipient of assistance under this subpart that
15 are pertinent to assistance received under this subpart.”.

16 (b) The provisions of section 392 (g) of the Communi-
17 cations Act of 1934, as added by subsection (a), shall apply
18 to any grant made under section 392 of such Act before, on,
19 or after the date of the enactment of this Act. Any authority
20 and responsibilities of the Secretary of Health, Education,
21 and Welfare regarding the administration of such grants are
22 hereby transferred to the Secretary of Commerce.

23 **CRITERIA FOR APPROVAL AND EXPENDITURES**

24 **BY SECRETARY OF COMMERCE**

25 **SEC. 104.** Section 393 of the Communications Act of
26 1934 is amended to read as follows:

1 “CRITERIA FOR APPROVAL AND EXPENDITURES

2 BY SECRETARY OF COMMERCE

3 “SEC. 393. (a) The Secretary of Commerce, in consulta-
4 tion with the Corporation for Public Broadcasting, noncom-
5 mercial telecommunications entities, and as appropriate with
6 others, shall establish criteria for making construction and
7 planning grants. Such criteria shall be consistent with the
8 objectives and provisions set forth in this subpart, and shall
9 be made available to interested parties upon request.

10 “(b) The Secretary of Commerce shall base determina-
11 tions of whether to approve applications for grants under
12 this subpart, and the amount of such grants, on criteria de-
13 veloped pursuant to subsection (a) and designed to
14 achieve—

15 “(1) the provision of new telecommunications fa-
16 cilities to extend service to areas presently unserved by
17 public broadcasting;

18 “(2) the expansion of the service areas of existing
19 public telecommunications entities;

20 “(3) the development of public telecommunications
21 facilities owned by and available to minorities and
22 women; and

23 “(4) the improvement of the capabilities of exist-
24 ing public broadcast stations to provide educational and
25 cultural services.

1 “(c) Of the funds appropriated pursuant to section 391,
 2 not less than 75 per centum shall be available for the creation
 3 of new noncommercial telecommunications entities and for
 4 the expansion of the service areas of existing noncommercial
 5 telecommunications entities, and preoperational expenses as-
 6 sociated with such creation and expansion. In choosing among
 7 applicants for grants, the Secretary shall compare the advan-
 8 tages of alternate technologies on the basis of costs and
 9 benefits.

10 “(d) Of the funds appropriated pursuant to section 391
 11 for any fiscal year, not less than 25 per centum shall be
 12 available for the expansion and development of noncommer-
 13 cial radio broadcast station facilities.”.

14 LONG-RANGE PLANNING FOR FACILITIES

15 SEC. 105. Section 394 of the Communications Act of
 16 1934 is amended to read as follows:

17 “LONG-RANGE PLANNING FOR FACILITIES

18 “SEC. 394. (a) The Secretary of Commerce, in consul-
 19 tation with appropriate parties, shall develop a long-range
 20 plan to accomplish the objectives set forth in section 390.
 21 Such plan shall include a detailed five-year projection of
 22 national needs for public telecommunications, the broadcast
 23 and nonbroadcast public telecommunications facilities re-
 24 quired to meet such needs, and the expenditures necessary
 25 to provide those facilities.

1 “(b) The plan required in subsection (a) shall be up-
 2 dated annually, and a summary of the activities of the
 3 Secretary of Commerce, in implementing the plan, shall be
 4 submitted concurrently to the President and the Congress.”.

5 TITLE II—TELECOMMUNICATIONS

6 DEMONSTRATIONS

7 ASSISTANCE FOR DEMONSTRATION PROJECTS

8 SEC. 201. Part IV of title III of the Communications
 9 Act of 1934 is amended by striking out section 395, by
 10 redesignating subpart B and subpart C as subpart C and
 11 subpart D, respectively, and by inserting after subpart A
 12 the following new subpart:

13 “Subpart B—Telecommunications Demonstrations

14 “ASSISTANCE FOR DEMONSTRATION PROJECTS

15 “SEC. 395. (a) It is the purpose of this subpart to
 16 promote the development of nonbroadcast telecommunica-
 17 tions facilities and services for the transmission, distribution,
 18 and delivery of health, education, and public or social service
 19 information. The Secretary is authorized, upon receipt of an
 20 application in such form and containing such information as
 21 he may by regulation require, to make grants to, and enter
 22 into contracts with public and private nonprofit agencies, or-
 23 ganizations, and institutions for the purpose of carrying out
 24 telecommunications demonstrations.

1 “(b) The Secretary may approve an application sub-
2 mitted under subsection (a) if he determines—

3 “(1) that the project for which application is made
4 will demonstrate innovative methods or techniques of
5 utilizing nonbroadcast telecommunications equipment or
6 facilities to satisfy the purpose of this subpart;

7 “(2) that demonstrations and related activities as-
8 sisted under this subpart will remain under the adminis-
9 tration and control of the applicant;

10 “(3) that the applicant has the managerial and
11 technical capability to carry out the project for which
12 the application is made; and

13 “(4) that the facilities and equipment acquired or
14 developed pursuant to the application will be used sub-
15 stantially for the transmission, distribution, and delivery
16 of health, education, or public or social service informa-
17 tion.

18 “(c) Upon approving any application under this sub-
19 part with respect to any project, the Secretary shall make a
20 grant to or enter into a contract with the applicant in an
21 amount determined by the Secretary not to exceed the rea-
22 sonable and necessary cost of such project. The Secretary
23 shall pay such amount from the sum available therefor, in
24 advance or by way of reimbursement, and in such install-

1 ments consistent with established practice, as he may deter-
2 mine.

3 “(d) Funds made available pursuant to this subpart
4 shall not be available for the construction, remodeling, or
5 repair of structures to house the facilities or equipment
6 acquired or developed with such funds, except that such
7 funds may be used for minor remodeling which is necessary
8 for and incident to the installation of such facilities or
9 equipment.

10 “(e) For purposes of this section, the term ‘nonbroad-
11 cast telecommunications facilities’ includes, but is not limited
12 to, cable television systems, communications satellite systems
13 and related terminal equipment, and other methods of trans-
14 mitting, emitting, or receiving images and sounds or intelli-
15 gence by means of wire, radio, optical, electromagnetic or
16 other means.

17 “(f) The funding of any demonstration pursuant to this
18 subpart shall continue for not more than three years from
19 the date of the original grant or contract.

20 “(g) The Secretary shall require that the recipient of
21 a grant or contract under this subpart submit a summary and
22 evaluation of the results of the demonstration at least annually
23 for each year in which funds are received pursuant to this
24 section.

1 “(h) (1) Each recipient of assistance under this sub-
2 part shall keep such records as may be reasonably necessary
3 to enable the Secretary of Health, Education, and Welfare
4 to carry out the Secretary’s functions under this subpart,
5 including records which fully disclose the amount and the
6 disposition by such recipient of the proceeds of such assist-
7 ance, the total cost of the project or undertaking in connec-
8 tion with which such assistance is given or used, and the
9 amount and nature of that portion of the cost of the project
10 or undertaking supplied by other sources, and such other
11 records as will facilitate an effective audit.

12 “(2) The Secretary of Health, Education, and Welfare
13 and the Comptroller General of the United States, or any of
14 their duly authorized representatives, shall have access for
15 the purposes of audit and examination to any books, docu-
16 ments, papers, and records of the recipient that are pertinent
17 to assistance received under this subpart.

18 “(i) The Secretary is authorized to make such rules and
19 regulations as may be necessary to carry out this subpart,
20 including regulations relating to the order of priority in
21 approving applications for projects under this subpart or to
22 determining the amounts of grants for such projects.

23 “(j) The Federal Communications Commission is au-
24 thorized to provide such assistance in carrying out the pro-
25 visions of this subpart as may be requested by the Secretary.

1 The Secretary shall provide for close coordination with the
 2 Federal Communications Commission in the administration
 3 of his functions under this subpart which are of interest to
 4 or affect the functions of the Commission. The Secretary
 5 shall provide for close coordination with the Corporation for
 6 Public Broadcasting in the administration of his functions
 7 under this subpart which are of interest to or affect the func-
 8 tions of the Corporation.

9 “(k) There are authorized to be appropriated \$1,000,-
 10 000 for the fiscal year ending September 30, 1979, to be
 11 used by the Secretary of Health, Education, and Welfare to
 12 carry out the provisions of this section. Sums appropriated
 13 under this subsection for any fiscal year or period shall re-
 14 main available for payment of grants or contracts for proj-
 15 ects for which applications approved under this subpart have
 16 been submitted within one year after the last day of such
 17 fiscal year or period.”.

18 TITLE III—CORPORATION FOR PUBLIC

19 BROADCASTING

20 DECLARATION OF POLICY

21 SEC. 301. Section 396 (a) of the Communications Act
 22 of 1934 is amended to read as follows:

23 “SEC. 396. (a) The Congress hereby finds and declares—

24 “(1) that it is in the public interest to encourage
 25 the growth and development of public radio and televi-

1 sion broadcasting, including the use of such media for
2 instructional, educational, and cultural purposes;

3 “(2) that expansion and development of public
4 telecommunications and of diversity of its programming
5 depend on freedom, imagination, and initiative on both
6 local and national levels;

7 “(3) that the encouragement and support of public
8 broadcasting, while matters of importance for private
9 and local development, are also of appropriate and im-
10 portant concern to the Federal Government;

11 “(4) that it furthers the general welfare to encour-
12 age public broadcast programing which will be respon-
13 sive to the interests of people both in particular localities
14 and throughout the United States, and which will con-
15 stitute an expression of diversity and excellence;

16 “(5) that it is necessary and appropriate for the
17 Federal Government to complement, assist, and support
18 a national policy that will most effectively make public
19 broadcasting available to all the citizens of the United
20 States;

21 “(6) that it is in the public interest to encourage
22 the growth and development of nonbroadcast telecom-
23 munications technologies for the transmission of non-
24 commercial educational and cultural programs and serv-
25 ices; and

1 “(7) that a private corporation should be created
2 to facilitate the development of public telecommunica-
3 tions and to afford maximum protection from extraneous
4 interference and control.”.

5 CHAIRMAN OF THE BOARD

6 SEC. 302. Section 396 (d) (1) of the Communications
7 Act of 1934 is amended by striking out “President shall
8 designate one of the members first appointed to the Board:
9 thereafter the”.

10 COMPENSATION OF OFFICERS AND EMPLOYEES

11 SEC. 303. Section 396 (e) (1) of the Communications
12 Act of 1934 is amended by inserting after the first sentence
13 the following new sentence: “No officer or employee of the
14 Corporation may be compensated by the Corporation at an
15 annual rate of pay which exceeds the rate of pay in effect
16 from time to time for level I of the Executive Schedule under
17 section 5312 of title 5, United States Code.”.

18 PURPOSES AND ACTIVITIES OF CORPORATION

19 SEC. 304. Section 396 (g) of the Communications Act
20 of 1934 is amended to read as follows:

21 “Purposes and Activities of Corporation

22 “(g) (1) In order to achieve the objectives and to
23 carry out the purposes of this subpart, as set out in sub-
24 section (a) of this section, the Corporation may—

1 “(A) facilitate the full development of public tele-
2 communications in which programs—

3 “(i) of high quality, diversity, creativity, excel-
4 lence, and innovation; and

5 “(ii) obtained from diverse sources;
6 will be made available to public television or radio
7 broadcast stations and noncommercial telecommunica-
8 tions entities, with strict adherence to objectivity and
9 balance in all programs or series of programs of a con-
10 troversial nature;

11 “(B) assist in the establishment and development
12 of one or more interconnection systems to be used for
13 the distribution of public television or radio programs so
14 that all public television or radio broadcast stations and
15 noncommercial telecommunications entities may dissemi-
16 nate the programs at times chosen by the stations or
17 entities;

18 “(C) assist in the establishment and development
19 of one or more systems of public broadcast stations and
20 noncommercial telecommunications entities throughout
21 the United States; and

22 “(D) carry out its purposes and functions and en-
23 gage in its activities in ways that will most effectively
24 assure the maximum freedom of the public television
25 or radio broadcast systems and local stations and non-

1 commercial telecommunications entities from interference
2 with, or control of, program content or other activities.

3 “(2) In order to carry out the purposes set forth in
4 subsection (a) of this section, the Corporation may—

5 “(A) obtain grants from and make contracts with
6 individuals and with private, State, and Federal agen-
7 cies, organizations, and institutions;

8 “(B) contract with or make grants to national,
9 regional, and other systems of public broadcast stations,
10 public broadcast stations, noncommercial telecommunica-
11 tions entities, and independent producers and production
12 entities for the production or acquisition of public tele-
13 vision or radio programs for national or regional non-
14 commercial distribution, except that (i) to the maximum
15 extent possible, proposals for the provision of assistance
16 by the Corporation in the production or acquisition of
17 programs or series of programs shall be evaluated on the
18 basis of comparative merit by panels of outside experts,
19 representing diverse interests and perspectives, ap-
20 pointed by the Corporation; and (ii) nothing in this
21 subparagraph shall be construed to prohibit the exercise
22 by the Corporation of its prudent business judgment with
23 respect to any contract or grant to assist in the produc-
24 tion or acquisition of any program or series of programs
25 recommended by any such panel;

1 “(C) make payments to existing and new public
2 broadcast stations and noncommercial telecommunica-
3 tions entities to aid in financing noncommercial televi-
4 sion and radio programming costs of such stations and
5 entities, particularly innovative approaches thereto, and
6 other costs of operation of such stations and entities;

7 “(D) establish and maintain a library and archives
8 of public television or radio programs and related ma-
9 terials and develop public awareness of, and disseminate
10 information about, public television or radio services by
11 various means, including the publication of a journal;

12 “(E) arrange, by grant to or contract with ap-
13 propriate public or private agencies, organizations, or
14 institutions, for interconnection facilities suitable for dis-
15 tribution and transmission of educational and cultural
16 television or radio programs and services to public broad-
17 cast stations and noncommercial telecommunications
18 entities;

19 “(F) hire or accept the voluntary services of con-
20 sultants, experts, advisory boards, and panels to aid the
21 Corporation in carrying out the purposes of this subpart;

22 “(G) conduct (directly or through grants or con-
23 tracts) research, demonstrations, or training in matters
24 related to public television or radio broadcasting and
25 the use of nonbroadcast communications technologies

1 for the dissemination of noncommercial educational and
2 cultural television or radio programs;

3 “(H) make grants or contracts for the use of non-
4 broadcast telecommunications technologies for the dis-
5 semination of noncommercial television or radio pro-
6 grams, except that any such contracts entered into
7 shall be effective only to the extent or in such amounts
8 as are provided in advance in appropriation Acts; and

9 “(I) take such other actions as may be necessary
10 to accomplish the purposes set forth in subsection (a)
11 of this subsection.

12 “(3) To carry out the foregoing purposes and engage
13 in the foregoing activities, and consistent with the provi-
14 sions of this subpart, the Corporation shall have the usual
15 powers conferred upon a nonprofit corporation by the
16 District of Columbia Nonprofit Corporation Act, except that
17 the Corporation is prohibited from—

18 “(A) owning or operating any television or radio
19 broadcast station, system, or network, community an-
20 tenna television system, interconnection system or
21 facility, program production facility, or any public
22 telecommunications entity, system, or network; and

23 “(B) producing, acquiring, scheduling, or distribut-
24 ing programs.

25 “(4) All meetings of the Board of Directors of the

1 Corporation shall be open to the public under such terms,
2 conditions, and exceptions as are set forth in subsection (k)
3 (4) of this section.

4 “(5) (A) The Corporation, in consultation with public
5 broadcast stations, shall undertake a study to determine the
6 manner in which the personal services of volunteers should
7 be included in determining the level of non-Federal financial
8 support pursuant to subsection (k) (2) (A). The study shall
9 include an examination of any fiscal, administrative, or other
10 factors which should be taken into account in determining the
11 manner in which such services should be so included.

12 “(B) The Corporation shall submit a report to the Con-
13 gress containing the results of such study no later than 120
14 days after the effective date of this paragraph.”.

15 INTERCONNECTION SERVICE

16 SEC. 305. Section 396 (h) of the Communications Act
17 of 1934 is amended to read as follows:

18 “Interconnection Service

19 “(h) (1) Nothing in this Act, or in any other provision
20 of law, shall be construed to prevent United States communi-
21 cations common carriers from rendering free or reduced rate
22 communications interconnection services for public television
23 or radio services, subject to such rules and regulations as the
24 Federal Communications Commission may prescribe.

25 “(2) Public telecommunications entities shall have pri-

1 ority for the use of interconnection systems for which funds
 2 authorized in this part are expended. Capacity remaining
 3 after such priority use shall be made available to other per-
 4 sons for the transmission of material to public telecommuni-
 5 cations entities. The Corporation, in consultation with the
 6 persons responsible for managing the interconnection sys-
 7 tems, shall establish reasonable terms and conditions gov-
 8 erning the use of the interconnection systems by persons
 9 other than public telecommunications entities, except that
 10 (A) no such person shall be denied access whenever suf-
 11 ficient capacity is available; and (B) any charge made for
 12 such use shall not exceed any cost which is directly attribut-
 13 able to transmitting the material.”.

14 ANNUAL REPORT TO CONGRESS

15 SEC. 306. Section 396 (i) of the Communications Act
 16 of 1934 is amended to read as follows:

17 “Report to Congress

18 “(i) (1) The Corporation shall submit an annual report
 19 for the preceding fiscal year ending September 30 to the
 20 President for transmittal to the Congress on or before the
 21 31st day of December of each year. The report shall include—

22 “(A) a comprehensive and detailed report of the
 23 Corporation’s operations, activities, financial condition,
 24 and accomplishments under this subpart and such recom-
 25 mendations as the Corporation deems appropriate;

1 “(B) the plan on public telecommunications re-
2 quired in paragraph (2) of this subsection;

3 “(C) a comprehensive and detailed inventory of
4 funds distributed by Federal agencies to public broad-
5 casting and noncommercial telecommunications entities
6 during the preceding fiscal year; and

7 “(D) the summary of the annual report provided
8 to the Secretary of Health, Education, and Welfare pur-
9 suant to section 398 (b) (4) of this subpart.

10 “(2) The Corporation, in consultation with public tele-
11 communications entities, and as appropriate with others, shall
12 create a five-year plan for the development of public televi-
13 sion and radio programming and services. Such plan, updated
14 annually, and a summary of activities under such plan, shall
15 be included in the report required in paragraph (1) (A) of
16 this subsection.

17 “(3) The officers and directors of the Corporation shall
18 be available to testify before appropriate committees of
19 the Congress with respect to such report, the report of any
20 audit made by the Comptroller General pursuant to sec-
21 tion 396 (1), or any other matter which such committees
22 may determine.”.

23 FINANCING; OPEN MEETINGS AND FINANCIAL RECORDS

24 SEC. 307. Section 396 (k) of the Communications Act
25 of 1934 is amended to read as follows:

1 “Financing; Open Meetings and Financial Records

2 “(k) (1) (A) There is hereby established in the Treas-
3 ury a fund which shall be known as the Public Broadcasting
4 Fund (hereinafter in this subsection referred to as the
5 ‘Fund’), to be administered by the Secretary of the
6 Treasury.

7 “(B) There is authorized to be appropriated to the
8 Fund, for each of the fiscal years 1978, 1979, and 1980,
9 an amount equal to 40 per centum of the total amount of
10 non-Federal financial support received by public broad-
11 casting entities during the fiscal year second preceding
12 each such fiscal year, except that the amount so appropriated
13 shall not exceed \$121,000,000 for fiscal year 1978, \$140,-
14 000,000 for fiscal year 1979, and \$160,000,000 for fiscal
15 year 1980.

16 “(C) For each of the fiscal years 1981, 1982, and
17 1983, there is authorized to be appropriated to the Fund
18 an amount equal to 50 per centum of the total amount of
19 non-Federal financial support received by public broadcast-
20 ing entities during the fiscal year second preceding each such
21 fiscal year, except that the amount so appropriated shall not
22 exceed \$180,000,000 for fiscal year 1981, \$200,000,000 for
23 fiscal year 1982, and \$220,000,000 for fiscal year 1983.

24 “(D) Funds appropriated under this subsection shall
25 remain available until expended.

1 “(2) (A) The funds authorized to be appropriated by
2 this subsection shall be used by the Corporation, in a pru-
3 dent and financially responsible manner, solely for its grants,
4 contracts, and administrative costs, except that the Corpora-
5 tion may not use any funds appropriated under this Act for
6 purposes of conducting any reception, or providing any other
7 entertainment, for any officer or employee of the Federal
8 Government or any State or local government. The Corpora-
9 tion shall determine the amount of non-Federal financial sup-
10 port received by public broadcasting entities during each
11 of the fiscal years referred to in paragraph (1) for the pur-
12 pose of determining the amount of each authorization, and
13 shall certify such amount to the Secretary of the Treasury,
14 except that the Corporation may include in its certification
15 non-Federal financial support received by a public broad-
16 casting entity during its most recent fiscal year ending be-
17 fore September 30 of the year for which certification is
18 made. Upon receipt of such certification, the Secretary of
19 the Treasury shall make available to the Corporation, from
20 such funds as may be appropriated to the Fund, the amount
21 authorized for each of the fiscal years pursuant to the pro-
22 visions of this subsection.

23 “(B) Funds appropriated and made available under
24 this subsection shall be disbursed by the Secretary of the
25 Treasury on a quarterly basis, in such amounts as the Cor-

1 poration certifies will be necessary to meet its financial obli-
2 gations in the succeeding quarter.

3 “(3) (A) The Corporation shall reserve for distribu-
4 tion among the licensees and permittees of public television
5 and radio stations an amount equal to (i) not less than 40
6 per centum of the funds disbursed by the Corporation from
7 the Fund under this section in each fiscal year in which
8 the amount disbursed is \$88,000,000 or more, but less than
9 \$121,000,000; (ii) not less than 45 per centum in each
10 fiscal year in which the amount disbursed is \$121,000,000
11 or more, but less than \$160,000,000; and (iii) not less
12 than 50 per centum in each fiscal year in which the amount
13 disbursed is \$160,000,000 or more.

14 “(B) (i) The Corporation shall establish an annual
15 budget according to which it shall make grants and contracts
16 for production of public television or radio programs by inde-
17 pendent production entities and public telecommunications
18 entities, for acquisition of such programs by public telecom-
19 munications entities, for interconnection facilities and opera-
20 tions, for distribution of funds among noncommercial tele-
21 communications entities, for provision of assistance to public
22 telecommunications entities to improve management and
23 train personnel, for engineering and program-related re-
24 search, and for the enhancement of instructional and educa-
25 tional television and radio services. A significant portion of

1 funds available under the budget established by the Corpo-
2 ration under this subparagraph shall be used for funding the
3 production of television and radio programs. Of such portion,
4 a substantial amount shall be reserved for distribution to
5 independent producers and production entities for the pro-
6 duction of programs.

7 “(ii) All funds contained in such budget shall be dis-
8 tributed to entities outside the Corporation and shall not be
9 used for the general administrative costs of the Corporation,
10 the salaries or related expenses of Corporation personnel and
11 members of the Board, or for expenses of consultants and
12 advisors to the Corporation. During each of the fiscal years
13 1981, 1982, and 1983, such budget shall consist of not less
14 than 95 per centum of the funds made available to the Cor-
15 poration pursuant to paragraph (1) (C) of this subsection.

16 “(iii) In determining the amount of funds which shall be
17 made available for radio programming and operations under
18 this subparagraph, the Corporation shall take into account the
19 increased financial needs relating to radio programming and
20 operations resulting from the expansion and development of
21 noncommercial radio broadcast station facilities through the
22 use of funds made available pursuant to section 393 (d).

23 “(C) In fiscal year 1981, the Corporation may expend
24 an amount equivalent to not more than 5 per centum of the
25 funds made available during such fiscal year pursuant to para-

1 graph (1) (C) of this subsection for those activities author-
2 ized under subsection (g) (2) which are not among those
3 grant activities described in subparagraph (B).

4 “(D) In fiscal years 1982 and 1983, the amount which
5 the Corporation may expend for activities authorized under
6 subsection (g) (2) which are not among those grant activi-
7 ties described in subparagraph (B) shall be 105 per centum
8 of the amount derived for the preceding fiscal year.

9 “(4) Funds may not be distributed pursuant to this sub-
10 section to the Public Broadcasting Service or National Public
11 Radio (or any successor organization), or to the licensee or
12 permittee of any public broadcast station, unless the govern-
13 ing board of any such organization, any committee of such
14 governing board, or any advisory body of any such organiza-
15 tion, holds open meetings preceded by reasonable notice to
16 the public. All persons shall be permitted to attend any meet-
17 ing of the board, or of any such committee or body, and no
18 member of the public shall be required, as a condition to
19 attendance at any such meeting, to register his or her name
20 or to provide any other information. Nothing contained in
21 this paragraph shall be construed to prevent any such board,
22 committee, or body from holding closed sessions to consider
23 personnel matters, pending or proposed litigation, labor nego-
24 tiations, contract negotiations, the development of proposed
25 or pending competitive proposals for grants or contracts, trade

1 secrets, or commercial or financial information obtained from
2 a person on a privileged or confidential basis. If any such
3 meeting is closed pursuant to the provisions of this paragraph,
4 the organization involved shall make available to the public a
5 written statement containing—

6 “(A) an explanation of the reasons for closing the
7 meeting, including a general description of the subject
8 matter of the meeting; and

9 “(B) a list of the individuals who attended the
10 meeting, including an identification of any organization
11 represented by any such individual.

12 “(5) Funds may not be distributed pursuant to this
13 subsection to the licensee or permittee of any public broad-
14 cast station that does not maintain for public examination
15 copies of the annual financial and audit reports submitted
16 to the Corporation pursuant to subsection (1) (3) (B).

17 “(6) (A) The Corporation, in consultation with public
18 television and radio licensees, shall establish and review
19 annually the percentage of funds reserved pursuant to para-
20 graph (3) (A), and the criteria and conditions regarding
21 the division and distribution of such funds among public
22 television and radio stations.

23 “(B) The funds reserved for public broadcast stations
24 pursuant to paragraph (3) (A) shall be divided into two
25 portions, one to be distributed among radio stations and one

1 to be distributed among television stations. The Corporation
2 shall make a basic grant from the portion reserved for tele-
3 vision stations to each licensee and permittee of a public
4 television station that is on-the-air. The balance of the por-
5 tion reserved for television stations and the total portion
6 reserved for radio stations shall be distributed to licensees
7 and permittees of such stations in accordance with eligibility
8 criteria that promote the public interest in public broad-
9 casting, and on the basis of criteria designed to—

10 “(i) provide for the financial needs and require-
11 ments of stations in relation to the communities and
12 audiences such stations undertake to serve;

13 “(ii) maintain existing, and stimulate new sources
14 of non-Federal financial support for stations by provid-
15 ing incentives for increases in such support;

16 “(iii) assure that each eligible licensee and per-
17 mittee of a public radio station receives a basic grant;

18 “(iv) encourage innovative approaches, both tech-
19 nical and programming, to reaching new audiences;

20 “(v) encourage responsiveness to the community
21 served by each station;

22 “(vi) encourage cost efficiencies, particularly in in-
23 creasing programming expenditures in relation to admin-
24 istrative costs;

25 “(vii) encourage programs to train women and

1 minorities and to increase their participation in public
2 broadcasting; and

3 “(viii) encourage the use of volunteers by stations.

4 “(7) No distribution of funds pursuant to this subsec-
5 tion shall exceed, in any fiscal year, one-half of a licensee’s
6 or permittee’s total non-Federal financial support during the
7 fiscal year second preceding the fiscal year in which such
8 distribution is made.

9 “(8) Not less than 50 per centum of the funds dis-
10 tributed to each public television station pursuant to para-
11 graph (3) (A) shall be used by such station for the produc-
12 tion and acquisition of television programs. Of the portion
13 reserved for such purpose, a substantial amount shall be used
14 for providing funds for the production and acquisition of
15 programs produced by independent producers and produc-
16 tion entities. The remainder of the funds distributed to each
17 public television station and all funds distributed to public
18 radio stations pursuant to paragraph (3) (A) may be used
19 at the discretion of the recipient for purposes relating to the
20 provision of public television and radio programming, in-
21 cluding, but not limited to—

22 “(A) producing, acquiring, broadcasting, or other-
23 wise disseminating public television or radio programs;

24 “(B) procuring national or regional programs dis-
25 tribution services that make public television or radio

1 programs available for broadcast or other dissemination
2 at times chosen by stations;

3 “(C) acquiring, replacing, or maintaining facilities,
4 and real property used with facilities, for the production,
5 broadcast, or other dissemination of public television and
6 radio programs; and

7 “(D) developing and using nonbroadcast communi-
8 cations technologies for public television or radio pro-
9 gramming purposes.

10 “(9) (A) Any public broadcast station which desires
11 to receive funds under this subpart shall establish a commu-
12 nity advisory board. The membership of such board shall, to
13 the maximum extent feasible, be composed of individuals who
14 are representative of the communities served by such station.

15 “(B) Such board shall be permitted to review the pro-
16 gramming goals established by such station, the service
17 provided by such station, and the significant policy de-
18 cisions rendered by such station. Such board may also
19 be delegated any other responsibilities, as determined
20 by the governing body of such station. Such board shall
21 advise the governing body of such station with respect
22 to whether the programming and other policies of such
23 station are meeting the specialized educational and infor-
24 mational needs of the communities served by such station,

1 and may make such recommendations as it considers appro-
2 priate to meet such needs.

3 “(C) The role of such board shall be solely advisory in
4 nature, except to the extent other responsibilities are dele-
5 gated to such board by the governing body of such station.
6 In no case shall such board have any authority to exercise
7 any control over the daily management or operation of such
8 station.

9 “(D) In the case of any public broadcasting station in
10 existence on the effective date of this paragraph, such station
11 shall comply with the requirements of this paragraph with
12 respect to the establishment of a community advisory board
13 not later than 180 days after such effective date.

14 “(10) Funds may not be distributed pursuant to this
15 subsection to the Public Broadcasting Service or National
16 Public Radio (or any successor organization) unless assur-
17 ances are provided that no officer or employee of the Public
18 Broadcasting Service or National Public Radio (or any suc-
19 cessor organization), as the case may be, will be compensated
20 at an annual rate of pay which exceeds the rate of pay in
21 effect from time to time for level I of the Executive Schedule
22 under section 5312 of title 5, United States Code.”.

23 FINANCIAL MANAGEMENT AND RECORDS

24 SEC. 308. Section 396 (1) (3) of the Communications
25 Act of 1934 is amended to read as follows:

1 “(3) (A) The Corporation, in consultation with the
2 General Accounting Office and as appropriate with others,
3 shall develop a uniform system of accounts which shall be
4 used by all public broadcast licensees or permittees receiving
5 funds under this subpart. Such system shall be designed to
6 account fully for all funds received and expended for public
7 broadcasting purposes by such licensees or permittees. Noth-
8 ing contained in this paragraph shall prevent the Corporation
9 from adopting different classes of accounting systems that
10 may be appropriate to different classes of licensees or per-
11 mittees.

12 “(B) Each noncommercial broadcast licensee or per-
13 mittee receiving funds under this subpart shall be required—

14 “(i) to keep its books, records, and accounts in
15 such form as may be required by the Corporation;

16 “(ii) to undergo an annual audit by independent
17 certified public accountants or independent licensed
18 public accountants certified or licensed by a regulatory
19 authority of a State, which audit shall be in accordance
20 with auditing standards developed by the Corporation,
21 in consultation with the General Accounting Office; and

22 “(iii) to furnish annually to the Corporation a copy
23 of the audit report required pursuant to clause (ii), as
24 well as such other information regarding financial opera-
25 tions that the Corporation may require.

1 “(C) Any recipient of assistance by grant or contract
 2 under this section, other than a fixed price contract awarded
 3 pursuant to competitive bidding procedures, shall keep such
 4 records as may be reasonably necessary to disclose fully the
 5 amount and the disposition by such recipient of such as-
 6 sistance, the total cost of the project or undertaking in con-
 7 nection with which such assistance is given or used, and
 8 the amount and nature of that portion of the cost of the
 9 project or undertaking supplied by other sources, and such
 10 other records as will facilitate an effective audit.

11 “(D) The Corporation or any of its duly authorized
 12 representatives shall have access for the purpose of audit and
 13 examination to any books, documents, papers, and records
 14 of any recipient of assistance that are related to assistance
 15 received under this section. The Comptroller General of the
 16 United States or any of his duly authorized representatives
 17 shall also have access thereto for such purpose during any
 18 fiscal year for which Federal funds are available to the
 19 Corporation.”.

20 EQUAL EMPLOYMENT OPPORTUNITY

21 SEC. 309. Section 398 of the Communications Act of
 22 1934 is amended to read as follows:

23 “FEDERAL INTERFERENCE OR CONTROL PROHIBITED;

24 EQUAL EMPLOYMENT OPPORTUNITY

25 “SEC. 398. (a) Nothing contained in this part shall be
 26 deemed (1) to amend any other provision of, or require-

1 ment under, this Act; or (2) except to the extent authorized
2 in subsection (b), to authorize any department, agency,
3 officer, or employee of the United States to exercise any
4 direction, supervision, or control over public telecommunica-
5 tions, or over the Corporation or any of its grantees or con-
6 tractors, or over the charter of bylaws of the Corporation,
7 or over the curriculum, program of instruction, or personnel
8 of any educational institution, school system, or public tele-
9 communications entity.

10 “(b) (1) Equal opportunity in employment shall be
11 afforded to all persons by all public telecommunications
12 entities receiving funds pursuant to subpart C (hereinafter
13 in this subsection referred to as ‘recipients’), and no person
14 shall be subjected to discrimination in employment (includ-
15 ing discrimination in connection with appointments to gov-
16 erning or advisory bodies) by any such recipient on the
17 grounds of race, color, religion, national origin, or sex.

18 “(2) The Secretary of Health, Education, and Welfare
19 is authorized and directed to enforce this subsection and
20 to prescribe such rules and regulations as may be necessary
21 to carry out the Secretary’s functions under this subsection.

22 “(3) The Corporation shall incorporate into each grant
23 agreement or contract with any recipient entered into on or
24 after the effective date of the rules and regulations pre-
25 scribed by the Secretary of Health, Education, and Welfare

1 pursuant to paragraph (2), a statement indicating that, as
2 a material part of the terms and conditions of the grant
3 agreement or contract, the recipient will comply with the
4 provisions of paragraph (1) and the rules and regulations
5 prescribed pursuant to paragraph (2). Any public or non-
6 commercial telecommunications entity which desires to re-
7 ceive funds under subpart C shall, before receiving any such
8 funds, provide to the Corporation any information which the
9 Corporation may require to satisfy itself that such entity is
10 affording equal opportunity in employment in accordance
11 with the requirements of this subsection. If the Corporation
12 is not satisfied that such entity is affording equal opportunity
13 in employment in accordance with the requirements of this
14 subsection, the Corporation shall notify the Secretary, and
15 the Secretary shall review the matter and make a final deter-
16 mination regarding whether such entity is affording equal
17 opportunity in employment. In any case in which the Secre-
18 tary conducts a review under the preceding sentence, the
19 Corporation shall make funds available to the entity involved
20 pursuant to the grant application of such entity (if the Cor-
21 poration would have approved such application but for the
22 finding of the Corporation under this paragraph) pending a
23 final determination of the Secretary upon completion of such
24 review. The Corporation shall monitor the equal employment

1 opportunity practices of each recipient throughout the dura-
2 tion of the grant or contract.

3 “(4) Based upon its responsibilities under paragraph
4 (3), the Corporation shall provide an annual report for the
5 preceding fiscal year ending September 30 to the Secretary
6 of Health, Education, and Welfare on or before the 31st day
7 of December of each year. The report shall contain informa-
8 tion in the form required by the Secretary in order to deter-
9 mine whether recipients are in compliance with paragraph
10 (1). The Corporation shall submit a summary of such report
11 to the President and the Congress as part of the report re-
12 quired in section 396(i). The Corporation shall provide
13 other information in the form and with any analysis which
14 the Secretary may require in order to carry out the Secre-
15 tary’s functions under this subsection.

16 “(5) Whenever the Secretary of Health, Education,
17 and Welfare makes a final determination, pursuant to the
18 rules and regulations which the Secretary shall prescribe,
19 that a recipient is not in compliance with paragraph (1),
20 the Secretary shall, within 10 days after such determina-
21 tion, notify the recipient in writing of such determination
22 and request the recipient to secure compliance. Unless the
23 recipient, within 120 days after receipt of such written
24 notice—

1 “(A) demonstrates to the Secretary that the viola-
2 tion has been corrected; or

3 “(B) enters into a compliance agreement approved
4 by the Secretary;

5 the Secretary shall direct the Corporation to reduce or sus-
6 pend any further payments of funds under this part to the
7 recipient and the Corporation shall comply with such direc-
8 tive. Resumption of payments shall take place only when the
9 Secretary certifies to the Corporation that the recipient has
10 entered into a compliance agreement approved by the Secre-
11 tary. A recipient whose funds have been reduced or suspended
12 may apply at any time to the Secretary for such certification.

13 “(c) Nothing in this section shall be construed to au-
14 thorize any department, agency, officer, or employee of
15 the United States to exercise any direction, supervision, or
16 control over the content or distribution of public telecom-
17 munications programs and services, or over the curriculum
18 or program of instruction of any educational institution or
19 school system.”.

20 TITLE IV—GENERAL PROVISIONS

21 DEFINITIONS

22 SEC. 401. Section 397 of the Communications Act of
23 1934 is amended to read as follows:

24 “DEFINITIONS

25 “SEC. 397. For the purposes of this part—

1 “(1) The term ‘construction’, as applied to public tele-
2 communications facilities, means acquisition (including ac-
3 quisition by lease), installation, and modernization of public
4 telecommunications facilities and planning and preparatory
5 steps incidental thereto.

6 “(2) The term ‘Corporation’ means the Corporation
7 for Public Broadcasting authorized to be established in sub-
8 part C of this part.

9 “(3) The term ‘interconnection system’ means any
10 system of interconnection facilities used for the distribution of
11 programs (which may include the selection and scheduling
12 of programs for such distribution) to public telecommunica-
13 tions entities.

14 “(4) The term ‘meeting’ means the deliberations of at
15 least the number of members of a governing or advisory
16 body, or any committee thereof, required to take action on
17 behalf of such body or committee where such deliberations
18 determine or result in the joint conduct or disposition of the
19 governing or advisory body’s business, or the committee’s
20 business, as the case may be, but only to the extent that
21 such deliberations relate to public broadcasting.

22 “(5) The terms ‘noncommercial educational broadcast
23 station’ and ‘public broadcast station’ mean a television or
24 radio broadcast station which (A) under the rules and regu-
25 lations of the Federal Communications Commission in effect

1 on the date of the enactment of the Public Telecommunica-
2 tions Financing Act of 1978 is eligible to be licensed by the
3 Commission as a noncommercial educational radio or televi-
4 sion broadcast station and which is owned and operated by
5 a public agency or nonprofit private foundation, corporation,
6 or association; or (B) is owned and operated by a mu-
7 nicipality and which transmits only noncommercial pro-
8 grams for educational purposes.

9 “(6) The term ‘noncommercial telecommunications en-
10 tity’ means any enterprise which (A) is owned and operated
11 by a State, a political or special purpose subdivision of a
12 State, a public agency or nonprofit private foundation, corpo-
13 ration, or association; and (B) has been organized primarily
14 for the purpose of distributing noncommercial educational or
15 cultural audio or video programs by means of television or
16 radio or other telecommunications technology, including, but
17 not limited to, coaxial cable, optical fiber, broadcast transla-
18 tors, cassettes, discs, microwave, or laser transmission through
19 the atmosphere.

20 “(7) The term ‘nonprofit’, as applied to any founda-
21 tion, corporation, or association, means a foundation, cor-
22 poration, or association, no part of the net earnings of which
23 inures, or may lawfully inure, to the benefit of any private
24 shareholder or individual.

1 “(8) The term ‘non-Federal financial support’ means
2 the total value of cash and the fair market value of property
3 and services (including, to the extent provided in the second
4 sentence of this paragraph, the personal services of volun-
5 teers) received—

6 “(A) as gifts, grants, bequests, donations, or other
7 contributions for the construction or operation of non-
8 commercial educational broadcast stations, or for the
9 production, acquisition, distribution, or dissemination of
10 educational television or radio programs, and related
11 activities, from any source other than (i) the United
12 States or any agency or establishment thereof; or (ii)
13 any public broadcasting entity; or

14 “(B) as gifts, grants, donations, contributions, or
15 payments from any State, or any educational institution,
16 for the construction or operation of noncommercial edu-
17 cational broadcast stations or for the production, acquisi-
18 tion, distribution, or dissemination of educational televi-
19 sion or radio programs, or payments in exchange for
20 services or materials respecting the provisions of educa-
21 tional or instructional television or radio programs.

22 Such term includes the fair market value of personal services
23 of volunteers but only with respect to such services provided
24 to public telecommunications entities and only, with respect

1 to such an entity in a fiscal year, to the extent that the value
2 of the services does not exceed five percent of the total non-
3 Federal financial support of the entity in that fiscal year.

4 “(9) The term ‘pre-operational expenses’ means all
5 nonconstruction costs incurred by new telecommunications
6 entities before the date on which they begin providing
7 service to the public, and all nonconstruction costs as-
8 sociated with expansion of existing entities before the date
9 on which such expanded capacity is activated, except that
10 such expenses shall not include any portion of the salaries of
11 any personnel employed by an operating broadcasting sta-
12 tion or other telecommunications entity.

13 “(10) The term ‘public broadcasting entity’ means the
14 Corporation, any licensee or permittee of a public broadcast
15 station, or any nonprofit institution engaged primarily in the
16 production, acquisition, distribution, or dissemination of edu-
17 cational television or radio programs.

18 “(11) The term ‘public telecommunications entity’
19 means any enterprise which (A) is a public broadcasting
20 station or a noncommercial telecommunications entity; (B)
21 receives funds from the Corporation under section 396(k);
22 and (C) distributes public television or radio program serv-
23 ices to the public.

24 “(12) The term ‘public telecommunications facilities’
25 means apparatus necessary for production, interconnection,

1 captioning, broadcast, or other distribution of programming,
2 including, without limitation, studio equipment, cameras,
3 microphones, audio and video storage or reproduction equip-
4 ment or both, signal processors and switchers, towers, anten-
5 nas, transmitters, translators, microwave equipment, mobile
6 equipment, satellite communications equipment, instructional
7 television fixed service equipment, subsidiary communica-
8 tions authorization transmitting and receiving equipment,
9 cable television equipment, video and audio cassettes and
10 discs, optical fiber communications equipment, and other
11 means of transmitting, emitting, storing, and receiving
12 images and sounds, or intelligence, except that such term
13 shall not include the buildings to house such apparatus, with
14 the exception of small equipment shelters which are part of
15 satellite earth stations, translators, microwave interconnec-
16 tion facilities, and similar facilities.

17 “(13) The term ‘State’ includes the District of Colum-
18 bia, the Commonwealth of Puerto Rico, the Virgin Islands,
19 Guam, American Samoa, and the Trust Territory of the
20 Pacific Islands.

21 “(14) The term ‘system of public broadcast stations’
22 means any two or more public television or radio stations
23 acting cooperatively, on a formal or informal basis, either
24 to produce, acquire, or distribute programs, or to undertake
25 programming and related activities.”.

CANDIDATES FOR POLITICAL OFFICE

SEC. 402. Section 399 of the Communications Act of 1934 is amended to read as follows:

“CANDIDATES FOR POLITICAL OFFICE

“SEC. 399. No public telecommunications entity may support or oppose any candidate for political office.”.

EFFECTIVE DATES

SEC. 403. The provisions of this Act, and the amendments made by this Act, shall take effect on October 1, 1978, except that the amendments made by sections 102 and 201, and the provisions of section 396 (k) (1) of the Communications Act of 1934 (as amended by section 307), shall take effect on the date of the enactment of this Act.

95TH CONGRESS
2D SESSION

H. R. 12605

A BILL

To amend the Communications Act of 1934 to extend and improve the provisions of such Act relating to long-term financing for the Corporation for Public Broadcasting and relating to certain grant programs for public telecommunications, and for other purposes.

By Mr. VAN DEERLIN, Mr. FREY, Mr. CARNEY,
Mr. WIRTH, Mr. RUSSO, Mr. MARKEY, Mr.
GORE, Ms. MIKULSKI, Mr. WAXMAN, Mr.
MOORE, Mr. MOORHEAD of California, and
Mr. MARKS

MAY 8, 1978

Referred to the Committee on Interstate and Foreign
Commerce